

DEPARTMENT OF HEALTH & HUMAN SERVICES

DIVISION FOR CHILDREN, YOUTH, AND FAMILIES
AND
DIVISION FOR JUVENILE JUSTICE SERVICES

FISCAL SERVICES UNIT

RATE SETTING MANUAL

INSTRUCTIONS TO FORMS

February 2003

RATE-SETTING MANUAL
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Introduction

The New Hampshire Division for Children, Youth and Families and Division for Juvenile Justice Services are responsible for ensuring the well being of children placed under their care by the courts. The Divisions are further charged with the responsibility for the efficient use of the State's financial resources in providing a variety of services to the youth of New Hampshire. Governing bodies of independent providers have the responsibility to ensure both the fiduciary and programmatic operations of the facilities they oversee. Rate-setting Rules He-C 6422, were developed based on these premises. This package contains rate setting requirements and budget proposal forms to be used by residential care facility providers in applying to the Divisions for funding under He-C 6422. Through the joint efforts of the Divisions and the provider community, the objectives of helping the children and youth of the state while maintaining the fiscal integrity of providers and the state can be achieved.

Manual's Objectives

The purpose of this manual is to obtain sound and accurate cost information about residential programs. The instructions and worksheets uniformly identify the costs of providing care and services to the Division for Children, Youth and Families (DCYF) and the Division for Juvenile Justice Services (DJJS) and will enable the Divisions to:

- Establish and maintain a comprehensive method for accounting and reporting;
- Determine a rate to be paid for covered services provided; and
- Collect, analyze and organize information concerning costs related to providing residential care and treatment services.

The manual identifies and explains the nature of costs that DCYF and DJJS consider when determining a rate for each residential care facility.

Rate Setting Process

Rates are established based on an evaluation of information submitted in and as a part of the entity's budget proposal and by applying the rate setting-rules in He-C 6422.

Budget proposals are submitted to the Division for Children, Youth, and Families, 129 Pleasant Street, Brown Building 4th Floor, Concord, NH 03301. Contents of the budget proposal are described and explained in this manual.

If an entity is dissatisfied with the rate established by DCYF, it may request reconsideration by the Directors of DCYF and DJJS (reference He-C 6422.24) or request an appeal of the Director's determination (reference He-C 6422.25).

SECTION I

GENERAL INSTRUCTIONS

Contents of the Budget Proposal

The budget proposal must contain the following documents to be reviewed and considered for rate setting by the DCYF and DJJS. Copies of all forms are provided electronically by DCYF.

1. Form 2106 - Provider Enrollment Agreement
 - a. This agreement must be signed by an individual authorized to bind the entity legally.
 - b. This agreement states the terms and conditions to which the provider agrees to be eligible to deliver care and services to children for whom the Divisions have responsibility under statute or rule.
 - c. If Form 2106 is on file with DCYF a duplicate need not be submitted.
2. Form 2140 - Identification Data
 - a. This form provides information on programs and facilities operated under an entity. For example, ABC School operates a residential treatment program, a special education program, and a home based services program. Each program must be identified separately on Form 2140.
 - b. This form requires the signature of an individual authorized to bind the entity legally.
3. Form 2141 - Personnel Data
 - a. This form provides information on staffing and includes the name, position, professional discipline, and salary of each staff member.
 - b. This form identifies the full time equivalents (FTE's) for each program and the allocation of individual salaries to each program the entity operates.
4. Form 2142 A&B - Revenues and Expenditures
 - a. These forms identify all sources and amounts of anticipated revenues and expenses for the fiscal year.
 - b. These forms are also used to determine the funding requirements requested from the Division.
 - c. Detailed explanations of includable revenues and costs can be found in "Guidelines for Completing Budget Proposal Forms".
5. Form 2143 - Capital Expenditure Detail

This form provides detail for assets, that are being depreciated.
6. Form 2144 - Rate Computation Worksheet

This form is used to calculate the per diem rate of funding requested from DCYF and DJJS.
7. Form 2144A - Program Data
 - a. This form is used to calculate the utilization factor used for calculate the per diem rate.
 - b. This form is used to calculate the average aggregate staff development and training costs.
 - c. This form is used to calculate the average aggregate clothing cost per child.
8. Budget Narrative
 - a. The budget narrative is a written description of revenue and expenditure projections and must correspond to the line items included on Form 2142 A&B.
 - b. The narrative must provide the basis for allocation and projection of all revenues and expenses. When applicable, copies of documentation, such as leases, loan notes, insurance policies, must be included with the narrative.
9. List of all trustees, directors, and executive level personnel.

This list must include names and addresses and a statement regarding any relationships, that each individual may have with the entity or facility.
10. Information concerning any financial or business transactions into which the entity has entered with any officer, director, trustee, owner, shareholder, employee, subsidiary, affiliate, parent organization, subcontractor, or wholly owned provider of services when the actual or imputed value totals \$1,000.00 or

more per transaction or in the aggregate. This information must include the name and address of the individual or entity, the purpose or nature of the transaction, and the amount and number of transactions entered into with the individual or entity.

11. A statement describing and including supportive documentation for any related party transactions.
 - a. This statement is required for any parent company or related party providing services, facilities, or supplies to an entity submitting a budget proposal.
 - b. The parent company or related party must make available documentation to support the related party cost.
12. Actual occupancy figures for each of the 12 months immediately preceding the preparation of the budget proposal or for each month of operation if less than 12 months is available.
13. Audited Financial Statement
 - a. An audited financial statement for the most recently completed fiscal year prepared by a licensed independent CPA.
 - b. The audit must include the management notes and any management letter or statement prepared by the CPA.
 - c. The audit report must be prepared using the same line items and functions used in the preparation of the budget proposal.
 - d. The audit is to be submitted to DCYF within 90 days of the close of the entity's fiscal year.
14. Variance Analysis
 - a. The variance analysis compares each line item of the current year's approved budget to the proposed budget and expresses changes as a percentage.
 - b. A written explanation must be included for any line item variance greater than 10%.
15. A copy of the entity's license to operate a child-care facility.
16. A copy of the Federal IRS determination of tax exemption if applicable.

When to Submit a Budget Proposal

1. To obtain a basic rate (initial rate)
 - a. A basic rate is obtained by submitting to DCYF a complete budget proposal. If substantive errors or omissions are identified, the budget proposal will be returned to the entity for completion or correction.
 - b. Within 90 days of its receipt of a complete and correct budget proposal, DCYF will establish a rate for the program.
 - c. DCYF will notify the submitting entity of its rate determination, any adjustments that were made by application of He-C 6422, and the date on which the rate is effective.
2. To Obtain Subsequent Rate
 - a. A subsequent rate is obtained by submitting to DCYF a complete budget proposal. If the budget proposal contains substantive errors or omission, it will be returned to the entity for correction or completion.
 - b. The budget proposal must be submitted to DCYF at least 90 days prior to the beginning of the state's fiscal year.

Annual Rates & Payments Based on Rate

1. The rate will become effective at the beginning of the state fiscal year and remain in effect for 12 months.

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2. The rate established through this process is the maximum reimbursement paid by DCYF and DJJS to the entity on a per child basis.
3. The Divisions will not make payment unless a rate has been established in accordance with He-C 6422.

Out of State Entities

1. Rates for out-of-state entities are established at the rate established by the rate setting authority in the state where the program or facility is located.
2. In states where no rate setting authority exists, the Divisions will establish the rate payable to the program and/or facility in the same manner as if it were a New Hampshire program and/or facility and through application of rules contained in He-C 6422.
3. Requests for rate changes must be accompanied by a copy of the official rate notification from the rate setting authority of the governing state.
4. Rate changes are made only in and for the current State of New Hampshire's fiscal year.

Method of Accounting to be Used

1. Each applicant must establish a chart of accounts reflecting the following functions:
 - a. General Management
 - b. Residential Programs
 - 1) Room and Board
 - 2) Treatment
 - c. Other DCYF programs
 - d. Education
 - e. Non Special Education
 - f. Other non-DCYF programs
2. All revenues and expenditures reported by an applicant must be budgeted and recorded using the accrual method of accounting.
3. For rate setting purposes, the fiscal year for each program/facility is from July 1 of a calendar year to June 30 of the following calendar year.

Department of Education (DOE)

1. When educational aspects are present in any service, placement, or program subject to rate-setting by He-C6422, rates for the educational component are addressed jointly by the Divisions and the Department of Education by using the Department of Education's forms created pursuant to PART ED 1134.
2. Whenever possible and when it is not to the detriment of a child, facilities must use services available through or cost reimbursed by Federal, State and community agencies.

Allowable and Non Allowable Costs

1. Allowable, costs must meet the following criteria:
 - a. Costs must pertain and be readily identifiable to an activity, function or program as defined in He-C 6422.
 - b. Costs must be necessary for the efficient operation of a program or facility.
 - c. Costs must be recognized and recorded in accordance with generally accepted accounting principals.
 - d. Costs must be supported by appropriate documentation.

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- e. Costs must be reasonable and:
 - 1) Be of a type recognized as necessary for the operation of a program or facility, or performance of an activity or function.
 - 2) Meet restraints or requirements imposed by accepted sound business practices, arms' length bargaining, Federal and State law, rules of the New Hampshire Department of Health and Human Services, rules of DCYF and DJJS, or generally accepted accounting principals.
 - 3) Be in agreement with the average cost incurred in similar facilities.
- 2. Non-allowable costs include:
 - a. Political and charitable contributions.
 - b. Investment expenses in excess of investment income applied to DCYF and DJJS programs.
 - c. Amusement of facility or program officers or employees or for non-organization related activities, entertainment, and any related costs such as meals, lodging, rentals, transportation and gratuities.
 - d. Personal expenses such as but not limited to personal travel, laundry, beverages, gift certificates to employees and vendors, flowers or parties for employees, repairs of personal property, rental of personal houses and apartments.
 - e. Fees and expenses of trustees and directors.
 - f. Fines and penalties imposed by a court or result from violations of or the failure to comply with federal, state, county or municipal law, rule, or regulation.
 - g. Bad debts (actual or estimated) resulting from uncollectable accounts or other claims, and related collection and legal costs.
 - h. Contributions to a contingency fund or any similar fund except for an unemployment reserve fund.
 - i. Advertising expenses except for recruitment of personnel.
 - j. Organized fund raising expenses in excess of revenue received and applied to DCYF and DJJS programs.
 - k. Voluntary payments and contributions such as payments in lieu of real estate taxes.
 - l. Any expenses of the organization, which are not reasonable as, defined in He-C 6422 or unrelated to child-care or child-care related services.
 - m. Management fees or payments included in lease or rental agreements between related parties.
 - n. Reimbursement for expenditures or depreciation of personally owned or leased assets.
 - o. Income and business profits taxes.
 - p. Bonuses of any nature conveyed or paid.
 - q. Charges by a related party applicable to services, facilities, and supplies furnished to the operating entity to the extent that the charges exceed the cost to the related party of providing the services, facilities or supplies.
 - r. Interest expense for working capital or deficit funding.
 - s. Interest expense on loans for working capital that exceeds 1% of the total approved budget of the program, or any interest expense on loans for working capital that cannot be directly identified as being due to delays in payments and outside of the entity's ability to control.
 - t. Executive staff salary in excess of the adjusted SFY 2001 executive state salary.
 - u. Other payments made by the entity that are not reasonable as defined by He-C6422.
 - v. Costs in excess of the average aggregate of expenditures for staff development and training of the 3 prior fiscal years.
 - w. Mileage reimbursement that includes any portion of vehicle expense that is reimbursed through depreciation charges.
 - x. Parent overhead charges if a program or facility includes charges for general and administrative expenses.

SECTION II

DEFINITIONS

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DEFINITIONS

- (a) “Acceptable Cost Limitations” means the cost amount ranges for products or services in similar activities, functions, programs or circumstances.
- (b) “Activity”, “function”, or “program” means care or services provided for children or their parents.
- (c) “Allowable costs” means those costs determined by the Divisions to be reasonable and appropriate for a child-care or child-care related activity, function or program.
- (d) “Ancillary services” means those services established by the Divisions as services that are additional to child-care or child-care related activities, functions or programs.
- (e) “Applicant” means the entity making application for a rate.
- (f) “Average Daily Attendance” means a calculated average number of children living in a facility.
- (g) “Basic Rate” means the first rate established for the entity.
- (h) “Commissioner” means Commissioner of Health and Human Services.
- (I) “Consultants” mean persons with technical skills and knowledge in specific areas requisite to the activities, functions or programs of the entity.
- (j) “Cost definitions” means those definitions contained in the budget proposal forms.
- (k) “Days of Operation” means the total number of days during which the program provides services. For example, a residential program that sends children home on weekends does not have 365 days of operation.
- (l) “DCYF” means the Department of Health and Human Services, Division for Children, Youth and Families.
- (m) “DJJS” means the Department of Health and Human Services, Division for Juvenile Justice Services.
- (n) “DOE” means the New Hampshire Department of Education.
- (o) “Direct Costs” means costs that can be identified specifically with activities approved by the Divisions for operation of a facility, function or program.
- (p) “Direct Service” means the time spent providing service to clients.
- (q) “Director” means Directors for Children, Youth and Families and Juvenile Justice Services.
- (r) “Divisions” mean Division for Children, Youth and Families and Division for Juvenile Justice Services.
- (s) “Entity” means the organization that owns and/or operates a residential program.
- (t) “Facility” means a licensed place of residence in which DCYF/DJJSS certified care and services are provided to children.
- (u) “Full Time Equivalent” means the ratio of the hours an individual works to the entity’s normal full time hours.
- (v) “General Management Expenses” means those costs which pertain to administration of the program or facility. Examples of these expenses are salaries, benefits, taxes, for executive director, secretaries, bookkeeper, etc.,

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as well as costs of office space, overhead expenses, supplies, utilities, etc., which are attributable to administrative expenses.

- (w) “Home-based services program” means a DCYF/DJJS certified program to provide family centered therapeutic interventions with DCYF/DJJS client families, to strengthen family life to prevent premature placement of the child.
- (x) “Non-Allowable Costs” means those costs that have been determined to be inappropriate, unreasonable and/or unrelated to the services provided by the entity.
- (y) “Reasonable Costs” means those costs recognized by DCYF/DJJS as being necessary for the efficient operation of a program and/or a facility.
- (z) “Units of Service” means the average daily attendance times the number of days of operation.
- (ab) “Vendor” or “employer” means the operator of a program or the owner and/or operator of a facility and responsible in either case for management of the program or facility, including hiring and supervision of all employees, staff and substitute staff which make up the personnel of the facility.

SECTION III

INSTRUCTIONS FOR COMPLETING BUDGET PROPOSAL FORMS

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Allocation Guidelines

REVENUES

<u>Revenue Item</u>	<u>Allocation Bases</u>	<u>Codes</u>
1. United Way	Total Program Expense <u>or</u> Full-Time Equivalents <u>or</u> Direct Identification	A B C
2. Sales	Direct Identification Only	C
3. Local/County Government	Total Program Expense <u>or</u> Full-Time Equivalents <u>or</u> Direct Identification	A B C
4. Federal Funding	Total Program Expense <u>or</u> Full-Time Equivalents <u>or</u> Direct Identification	A B C
5. State Funding	Total Program Expense <u>or</u> Full-Time Equivalents <u>or</u> Direct Identification	A B C
6. Cash Contributions	Direct Identification	C
7. Restricted Funds	Direct Identification Only	C
8. Unrestricted Funds	Total Program Expense <u>or</u> Full-Time Equivalents <u>or</u> Direct Identification	A B C
9. Rental Income	Full-Time Equivalents <u>or</u> Square Footage	B C
10. Donations of Goods & Services	Total Program Expense <u>or</u> Direct Identification	A C
11. Endowment Income	Total Program Expense <u>or</u> Full-Time Equivalents <u>or</u> Direct Identification	A B C
12. Other (Specify)	Use one of the above allocations bases, if appropriate, with the corresponding code. If an alternative method is used, obtain prior approval from the DCYF, provide a written explanation of the method and use code "E".	E

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EXPENSES

<u>Expenditure Item</u>	<u>Allocation Bases</u>	<u>Codes</u>
1. Consultants and Professional Fees	Direct Identification	C
2. Materials and Consumable Supplies	Full-Time Equivalents <u>or</u> Direct Identification	B C
3. Communications	Number of Instruments	G
4. Facility (Rent and Lease)	Full-Time Equivalents <u>or</u> Square Footage	B D
5. Equipment	Direct Identification <u>or</u> Full-Time Equivalents	C B
6. Transportation	Mileage Per Program	H
7. Training/Conferences/Meetings	Direct Identification <u>or</u> Full-Time Equivalents	C B
8. Assistance to Individuals	Direct Identification (Number of Children in Program)	C
9. Medical Supplies/Medications Pharmacy	Room and Board Expense	I
10. Professional Liability and Bonding	Direct Identification	C
11. Comprehensive Property and Liability	Square Footage	D
12. Interest Expense	Square Footage <u>or</u> Direct Identification	D
13. Capital Expenditures	Total Program Expense <u>or</u> Direct Identification	A C
14. Other (Specify)	Use one of the above allocation bases, if appropriate with the corresponding code. If an alternative method is used, obtain prior approval from the DCYF, provide a written explanation of the method and use code "E".	E

INSTRUCTIONS FOR THE PROVIDER ENROLLMENT AGREEMENT (FORM 2106)

This form is intended to provide specific provider information. Form 2106 is required to be submitted only once. It is important that:

- all fields are completed
- the entries are legible
- the form is signed by an individual authorized to bind the entity legally.

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FORM 2140

IDENTIFICATION DATA

INSTRUCTIONS FOR COMPLETING THE FORM

1. Part A - Identifying Information
Enter all information for the operating entity.
2. Part B - Requires that:
 1. A copy of each facility's most recent license.
 2. A copy of the federal determination of tax exemption is submitted.
3. Part C - requires identifying information for each facility or program that an entity operates.
4. Part D - Certification of Accuracy
 1. Requires the name and telephone number and email address of the individual who prepared the budget proposal.
 2. Requires the name of the entity's authorized representative who reviewed the budget proposal.
 3. Requires the signature of the entity's authorized representative assuring the accuracy of the proposal.

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FORM 2141

PERSONNEL DATA

INSTRUCTIONS FOR COMPLETING THE FORM

This form contains information for all employees, as identified by column titles. This form also identifies the FTE's for each program for use in revenue and expense allocation to programs.

I. HEADING INFORMATION, TOP OF FORM

Entity: Enter the name of the facility or program.

Fiscal Year: Enter the state fiscal year for which the budget is being prepared. .

Original Budget; Amended Budget: Place a check-mark in one blank or the other, depending upon whether the budget being submitted is the original submission or an amended submission required by DCYF/DJJS.

II. COLUMN INSTRUCTIONS:

1. Column A: Employee Name. Enter the employee's full name.
2. Column B: Academic Degree. Enter the field of study and degree received, if any, for the employee. All degrees must be listed.
3. Column C: Job Title.
4. Column D: Total FTE. This column represents a total of columns F, H, J, L, N and P of this form.
5. Column E: Total Payroll. This column represents a total of columns G, I, K, M,N,O and Q thru W of this form.
6. Column F: General and Administrative FTE. This column represents the allocation of each employee's time that pertains to administrative and general management activities. The allocation is based upon the percentage of employee's total work time that pertains to these activities.
5. Column G: General and Administrative. This column represents the allocation of each employee's salary that pertains to administrative and general management activities. The allocation is based upon the percentage of employee's total work time that pertains to such activities.
5. Column H: Fund Raising FTE. This column represents the allocation of each employee's time that pertains to fund raising activities. The allocation is based upon the percentage of employee's total work time that pertains to these activities.
6. Column I: Fund Raising. This column represents the allocation of each employee's salary that pertains to fund raising activities. The allocation is based upon the percentage of employee's total work time that pertains to these activities.
6. Column J: DCYF/DJJS/DOE Residential Programs FTE. This column represents the allocation of each employee's time that pertains to the residential program (room, board and treatment). The allocation is based upon the percentage of each employee's total work time that pertains to this program.

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7. Column K: DCYF/DJJS/DOE Residential Program. This column represents the allocation of each employee's salary that pertains to the residential program (room, board and treatment). The allocation is based upon the percentage of each employee's total work time that pertains to this program. Regardless of actual salary, for DCYF/DJJS rate setting, executive staff salary must be reported at a maximum of \$75,000 for the state fiscal year 2001, and subsequently increased annually by that year in Consumer Price Index - Urban as published in February by the United States Department of Labor, Bureau of Labor Statistics.
8. Column L: DCYF/DJJS Other FTE. This column represents the amount of each employee's time that pertains to any DCYF/DJJS program other than the residential services. The allocation is based upon the percentage of each employee's total work time that pertains to any such program.
9. Column M: DCYF/DJJS Other. This column represents the amount of each employee's salary that pertains to any DCYF/DJJS program other than the residential services or education costs. The allocation is based upon the percentage of each employee's total work time that pertains to any such program.
12. Column N: Other Non DCYF/DJJS and Non DOE Program FTE. This column represents the amount of each employee's time that pertains to any Non DCYF/DJJS and Non DOE programs. The allocation is based upon the percentage of each employee's total work time that pertains to any such program.
13. Column O: Other Non DCYF/DJJS and Non DOE Programs. This column represents the amount of each employee's salary that pertains to Non DCYF/DJJS and Non DOE programs. The allocation is based upon the percentage of each employee's total work time that pertains to any such program.
10. Column P: Non-Special Education Program FTE. This column represents the amount of each employee's time that pertains to any Non-Special Education funded program. The allocation is based upon the percentage of each employee's total work time that pertains to any such program.
11. Column Q: Non-Special Education Program. This column represents the amount of each employee's salary that pertains to any Non-Special Education Program funded program. The allocation is based upon the percentage of each employee's total work time that pertains to any such program.
14. Columns R-W: Special Education Programs. These columns represent the amount of each employee's salary that pertains to Special Education funded programs. Refer to DOE instructions.
15. Totals: Enter totals for each column for FTE's and salary.

Note: FTE means a person working full time for the entity. If an entity's usual working hours are 40 hours per week, a person who usually works those hours = 1 FTE. A person who usually works 20 hours per week would = .5 FTE (20/40); 30 hours per week = .75 FTE (30/40).

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FORM 2142A

REVENUES

INSTRUCTIONS FOR COMPLETING THE FORM

Revenue generated by an entity that is not restricted to DCYF and DJJS residential programs may be used at the discretion of the entity's board of directors for program enhancements and must be recorded for informational purposes only and will not be included in the rate calculation. Intermediate and General Group Homes may record this revenue in the "DCYF/DJJS Programs (Other)" column.

I. HEADING INFORMATION, TOP OF PAGE 1:

This portion of the form is to be completed in the same manner as the identical portion on Form 2141. Refer to the instructions to Form 2141.

II. COLUMN INSTRUCTIONS:

Column A: TOTAL FACILITY REVENUES

For each line that is applicable, enter total budgeted revenues for all programs, including all programs funded by DCYF/DJJS, those not funded by DCYF/DJJS, and those related to general management.

Column B: TOTAL GENERAL AND ADMINISTRATIVE REVENUES

For each line that is applicable, enter all budgeted revenues representing administrative and general management activities.

Column C: DCYF/DJJS RESIDENTIAL PROGRAMS

For each line that is applicable, enter all budgeted revenues representing contributions, grants and other support that are restricted for DCYF/DJJS residential programs.

Column D: DOE RESIDENTIAL PROGRAM

For each line that is applicable, enter all budgeted revenues representing all contributions, grants and other support that are for DOE residential programs.

Column E: DCYF/DJJS OTHER PROGRAM

For each line that is applicable, enter all budgeted revenues representing DCYF/DJJS programs other than residential and special and non-special education programs.

Column F: NON-DCYF/DJJS and NON-DOE PROGRAMS

For each line that is applicable, enter all budgeted revenues representing non-DCYF/DJJS and non-DOE programs.

Column G: NON-SPECIAL EDUCATION PROGRAM

For each line that is applicable, enter all budgeted revenues representing non-special education programs.

Column H & i: SPECIAL EDUCATION PROGRAMS

For each line that is applicable, enter all budgeted revenues representing special education programs.

III. LINE ITEM INSTRUCTIONS

- Line 1: **CATEGORY 400 PROGRAM SERVICE FEES**
 This category (Account 401) includes program service fees received from sources other than DCYF/DJJS.
 All program service fees should be budgeted and reported based on a reasonable amount expected to be collected.
- Line 2: **ACCOUNT 401 NON-PROGRAM FEES**
 Enter all anticipated revenues for program funding from sources other than the DCYF/DJJS, and local and federal governments. For example, third party insurance payments, private placement fees, etc.
- Line 4: **CATEGORY 420 PROGRAM SALES**
 This category (Account 421) includes all revenue generated from sales of goods or services related to programs.
- Line 5: **ACCOUNT 421 SERVICE**
 Enter all income generated from direct sales, contracts or services.
 The budget narrative must indicate the basis for projections.
- Line 6: **CATEGORY 430 PRIVATE/PUBLIC SUPPORT**
 All revenues in this category (431-435) must be allocated based on donor restrictions.
 The facility or entity shall apply for public and private sources of funds where applicable and appropriate for the program. Such sources include the Division of Special Education, local education agencies, United Way, etc.
- Line 7: **ACCOUNT 431 UNITED WAY**
 Enter all funds provided by United Way.
 The budget narrative must indicate the United Way Chapter(s) involved and the basis for projection and allocation.
- Line 8: **ACCOUNT 432 LOCAL/COUNTY GOVERNMENT**
 Enter all funds provided by towns, cities or counties.
 The budget narrative must indicate the governmental units involved and the basis for projection and allocation.
- Line 9: **ACCOUNT 433 DONATIONS/CONTRIBUTIONS**
 Enter income received from restricted/unrestricted contributions.
 Enter funds restricted for DCYF/DJJS programs should be entered in Column D.
 The budget narrative must indicate the basis for projection and allocation.
- Line 10: **ACCOUNT 434 OTHER SUPPORT**
 Enter support not covered by above line items.

 The budget narrative must indicate source(s) and basis for projection and allocation.
- Line 11: **ACCOUNT 435 ENDOWMENT INCOME**
 Enter interest, dividends, capital gain distributions received in cash from endowments.
 The budget narrative must indicate source(s) and basis for projection and allocation.
- Line 12: **CATEGORY 440 FEDERAL FUNDING**
 This category (441-444) includes any federal grants received.
 The budget narrative must indicate the purpose and amount of any federal grant.

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The facility or entity must apply for federal funding where applicable and appropriate for the program. Such sources include U.S. Department of Agriculture, National Runaway.

- Line 13: ACCOUNT 441 TITLE I
Enter funds received to supplement the cost of providing education to educationally handicapped youths.
- Line 14: ACCOUNT 442 NATIONAL RUNAWAY
Enter funds received to provide shelter or services to runaway children.
- Line 15: ACCOUNT 443 USDA
Enter funds received to purchase or subsidize the purchase of food.
Enter the value of food commodities received.
The budget narrative shall indicate the basis for projection and allocation.
- Line 16: ACCOUNT 444 OTHER FEDERAL GRANTS
Enter any other federal grants received for programs or administrative expense.
The budget narrative shall indicate the basis for projection and allocation.
- Line 17: ACCOUNT 450 RENTAL INCOME
Enter any income obtained as the result of property or equipment rental.
The budget narrative shall describe the property or equipment rented and the basis for projected revenue amount.
Rental income that can be allocated to specific programs is allocated on the basis of square footage or full-time equivalents of the program(s) involved. All rental income that cannot be identified to specific programs must be included in general management. This includes income from rental of computer hardware or software, and time-sharing income. The narrative must give a complete breakdown, the source and how the income is to be allocated.
- Line 18: ACCOUNT 460 INTEREST INCOME
Enter all revenue generated from savings accounts except for endowment accounts.
The budget narrative must describe the source of interest and the basis for projection.
- Line 19: ACCOUNT 470 RECOGNIZED GAINS ON SALE OF ASSETS
All amounts are to be allocated on the same basis as depreciation was recorded for the asset.
Recognized gain when the sale or trade value exceeds the net book value of the asset.
The budget narrative must specify the asset and the calculation used in determining the amount of gain recognized.
- Line 20: ACCOUNT 480 OTHER REVENUES
Enter revenues not reported in any of the above line items.
The source and basis for projection and allocation must be included in the budget narrative.
- Line 21: ACCOUNT 490 SURPLUSES CARRIED FORWARD (DOE ONLY)
Enter any surplus generated in the most recent fiscal year. "Surplus" is defined as the positive net difference of revenue after expense from operations, regardless whether that difference is called surplus, profit, excess of support and revenue over expense, fund balance increase on the entity's books of account.
The budget narrative must document the basis for amounts used.
- Line 23: SUB-TOTAL REVENUES
Enter the total of amounts entered in Lines 1-21, above.
- Line 24: GENERAL MANAGEMENT ALLOCATION
Enter the amount from Column B. This entry shall be the 'TOTAL GENERAL MANAGEMENT REVENUE' amount to be allocated.

Line 25: TOTAL REVENUES
Enter the total amounts for each column.

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FORM 2142B

EXPENDITURES

INSTRUCTIONS FOR COMPLETING THE FORM

I. HEADING INFORMATION:

Complete in the same manner as the identical portion on Form 2141. Refer to the instructions for Form 2141.

II. COLUMN INSTRUCTIONS:

Column A: TOTAL FACILITY EXPENSES

For each line that is applicable, enter total budgeted expenses for all programs, including all programs funded by DCYF/DJJS, those not funded by DCYF/DJJS, and those related to general management.

Column B: TOTAL GENERAL AND ADMINISTRATIVE EXPENSES

For each line that is applicable, enter all budgeted expenses representing administrative and general management activities.

Column C: FUND RAISING

For each line that is applicable, enter all budgeted expenses representing fund raising costs.

Column D: DCYF/DJJS RESIDENTIAL PROGRAM

Enter the total budgeted expense for room, board and treatment components of a DCYF/DJJS residential program.

Column E: OTHER DCYF/DJJS OTHER PROGRAMS

Enter the total budgeted expense for other DCYF/DJJS programs.

Column F: OTHER NON-DCYF/DJJS/DOE

Enter budgeted expense, if any, which does not pertain to DCYF/DJJS programs and which is not shown in any other column.

Column G: NON-SPECIAL EDUCATION PROGRAM

Enter the total budgeted expense for this program.

Columns H & I: SPECIAL EDUCATION PROGRAMS

For use per DOE instructions only.

Column J, K, L and M: SPECIAL EDUCATION THERAPIES

For use per DOE instructions only.

III. LINE ITEM INSTRUCTIONS

Line 30: ACCOUNT 601 SALARIES AND WAGES

Enter payment for regular full and part-time personnel accrued in whatever form whether paid immediately or deferred for services rendered by employees of the vendor during the fiscal year. Include premiums for overtime, extra pay shifts, and multi-shift work where applicable. (From Form 2141)

Regardless of actual salary, for DCYF/DJJS rate setting purposes, executive staff salary shall be reported at a maximum of \$75,000 for the state fiscal year 2001, and subsequently increased annually by

the increase for that year in the Consumer Price Index - Urban as published in February by the United States Department of Labor, Bureau of Labor Statistics.

Line 31: ACCOUNT 602 EMPLOYEE BENEFITS

Enter all group fringe benefit plans provided to regular full and part-time employees, e.g., health insurance, dental insurance, retirement plans, worker compensation.

The budget narrative must indicate the types of benefits provided and the method used for calculating the cost of each type by program.

Benefit plans must be in conformance with state and federal law. The cost of fringe benefit plans must be allocated to programs on the same basis as salaries and wages in accordance with 601 guidelines above.

Line 32: ACCOUNT 603 TEMPORARY STAFF

Enter all temporary personnel costs associated with staffing coverage needed due to employee absenteeism and/or staff vacancies.

The budget narrative must show the method used for determining cost. Example: Based on past experience, substitute coverage was needed for 25 days per year. 25 days X \$25/day = \$625.

The amount of substitute coverage budgeted for direct service staff whose presence is considered essential for the day-to-day supervision of clients must be based on documented use and costs.

Line 33: ACCOUNT 604 PAYROLL TAXES

Enter all payments made for F.I.C.A. and unemployment.

The budget narrative must project the calculation of costs by program.

F.I.C.A. = prevailing rate x Total FICA salaries per program. State and Federal Unemployment Insurance = Rate as determined by the applicable state and federal agencies x the eligible salary/wage of each employee. F.I.C.A. salaries and wages shall not exceed the limit stated in 601 guidelines. If an entity elects to fund an employment compensation reserve, the entity shall not also include unemployment tax as an expense on this line.

Line 34: ACCOUNT 621 CLIENT EVALUATIONS

Enter all professional services purchased that are for purposes of obtaining comprehensive screening evaluations as well as other types of evaluations (this shall not include the cost of any full or part-time staff, as reflected in the personnel budget, whose responsibilities include client evaluations).

The budget narrative shall explain how evaluation costs were developed, including the number of clients and types and costs of evaluations to be purchased.

The amount budgeted for client evaluations shall be based upon past documented actual costs. Services available through or cost reimbursed by other Federal, State of Community agencies shall be utilized whenever possible and when such use does not represent a detriment to the child.

Line 35: ACCOUNT 622 CLIENT TREATMENT OR SERVICES

Enter all costs for purchasing specialized client services on a full or part-time basis.

The budget narrative shall explain how treatment service costs were developed, including the number of clients and types and costs of services to be purchased.

The amount for client treatment shall be based upon past documented actual costs. Services available through or cost reimbursed by other Federal, State, or Community agencies shall be utilized whenever possible and when such use does not represent a detriment to the child.

Line 36: ACCOUNT 623 ACCOUNTING AND AUDIT FEES

Enter the cost of accounting and auditing fees supplied by outside providers. This includes check-writing and payroll fees. The cost of services provided by employees of, or other people who are affiliated with the vendor shall not be entered on this line.

The budget narrative shall explain the purpose and cost of accounting fees and the amount projected for audits. This line item shall be reflected in "General Management Expenses Column C" only.

Line 37: ACCOUNT 624 LEGAL FEES

Enter all legal service costs that the vendor expects to incur in order to fulfill obligations to DCYF/DJJS. The budget narrative shall explain the purpose and cost of legal fees. The method of cost allocation programs shall be based upon direct costs.

No funds dispensed through the Divisions in this category or any other category shall be used to pay any legal fees that involve litigation's or disputes against the Divisions or any other state agency.

Furthermore, no funds dispensed through the Divisions shall be used to pay any fines, paybacks or other court-ordered payments as a result of investigation or litigation against the facility or program.

Line 38: ACCOUNT 625 OTHER PROFESSIONAL SERVICES AND CONSULTANTS

Enter all consultant or professional fees not covered by the accounts above, such as program evaluations. Fees incurred for any type of staff development or training shall be reflected in the appropriate staff development line item (Lines 40-42).

The budget narrative shall explain the purpose and cost of other fees anticipated. The method of cost allocation to the programs should be based upon direct cost, if possible, or number of clients.

Consultant costs shall be allowed when:

- A. The nature and scope of the consultant service are necessary, pertain to the organization's functions, activities or programs or to nutritional services, and cannot be provided by the organization's employees or can be more economically performed by consultants than by employees;
- B. The fee charged for the service by the consultant is consistent with customary fees charged by the similarly qualified consultants for the service and is reasonable in relation to the services;
- C. The consultants are not involved with the recovery of costs or funds from federal, state or local government; and
- D. The consultants are not employees of the organization or of any parent organization.

CATEGORY 630 STAFF DEVELOPMENT AND TRAINING

This category (Accounts 631-634) includes all staff development and training costs for conferences, workshops, conventions, in-service training and tuition except for travel costs. Travel costs shall be shown in staff transportation. For residential programs, expenditures for this category of costs shall not exceed the average aggregate of such expenditures for staff development and training for all providers in the 3 prior fiscal years times the program's full-time equivalent employees. For residential programs, cost in excess of the established cap shall be recorded on line 76 of this form.

The budget narrative shall explain the purpose and method used to project costs for staff development and training line items. The method of cost allocation to programs shall be based upon direct costs, if possible, or number of FTEs.

Line 39: ACCOUNT 631 JOURNALS AND PUBLICATIONS

Enter the cost of all books, publications and training materials purchased for staff development/training purposes.

Line 40: ACCOUNT 632 IN-SERVICE TRAINING

Enter the costs of paying professionals to provide in-service training or consultation to any staff members.

Line 41: ACCOUNT 633 CONFERENCES AND CONVENTIONS

Enter all expenses for attending any conferences, workshops, and conventions except travel costs. Show travel costs in Account #741, staff transportation.

Costs of conferences or meetings are allowed when the primary purpose of the conference is dissemination of technical information and is part of the facility's approved staff development plan.

Line 42: ACCOUNT 634 OTHER STAFF DEVELOPMENT

Enter any staff development costs not covered by the accounts above (such as individual staff member's tuition).

CATEGORY 640 OCCUPANCY COSTS

This category (Accounts 641-647) includes all physical plant costs, except depreciation charges.

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All occupancy costs shall be cost-allocated to programs and general management. The method of cost allocation is to be based upon square footage, if possible, or FTE's. The budget narrative shall provide a breakdown of interest and principal.

Line 43: **ACCOUNT 641 RENT**

Enter the cost of renting any building utilized for the facility or program as described in Line 43. Rental cost for space is allowable if the charge does not exceed the cost of comparable space and facilities in the same locality. Rentals shall be documented by a lease agreement. Any lease shall stipulate the extent of the lessee's responsibility for renovations. Major renovations that add to the permanent value of the property or appreciably prolong its life, and wherein the cost is borne by the organization shall be depreciated. Depreciation on leasehold improvements shall be allowed only when approved by the DCYF/DJJS as specified in Line 55 "Capital Expenditures".

Line 44: **ACCOUNT 643 HEATING COSTS**

Enter all heating costs, e.g. electricity, gas or oil. Exclude these costs if they are included in a rental or lease agreement.

Line 45: **ACCOUNT 644 OTHER UTILITIES**

Enter all other utility costs, i.e. electricity, water, sewage, gas, etc. These costs shall be excluded if they are included in a rental or lease agreement.

Line 46: **ACCOUNT 645 MAINTENANCE AND REPAIRS**

Enter the costs of materials and supplies needed for routine maintenance and repairs and/or maintenance contracts (e.g. garbage removal, snowplowing).

Exclude these costs if they are included in a rental or lease agreement.

Line 47: **ACCOUNT 646 TAXES**

Enter real estate tax payments. Taxes for which an exemption is available, income taxes, business profits tax and payments in lieu of taxes shall be excluded.

Line 48: **ACCOUNT 647 OTHER OCCUPANCY COSTS**

Enter any other occupancy costs not covered by the line items listed above, include renovation costs in capital expenditures).

CATEGORY 650 CONSUMABLE SUPPLIES

This category (Accounts 651-656) includes all costs for expendable supplies.

All consumable supplies shall be cost allocated to programs base the method of allocation on direct costs, if possible, or FTEs.

Line 49: **ACCOUNT 651 OFFICE SUPPLIES**

Enter costs of consumable materials used for office operations, e.g., paper, pens, notebooks, printed checks, photocopy supplies.

Line 50: **ACCOUNT 652 BUILDING/HOUSEHOLD SUPPLIES**

Enter costs of consumable supplies used for buildings and grounds as well as all household supplies, e.g. toilet paper, towels, cleaning supplies, crockery, flatware.

Line 51: **ACCOUNT 653 EDUCATIONAL/TRAINING SUPPLIES**

Enter costs of materials used in client programs, e.g. paper, pens, paintbrushes, sets of practice materials, magazine or book subscriptions for clients' use.

Line 52: **ACCOUNT 654 PRODUCTION AND SALES**

Enter the cost of materials that are purchased for the purpose of making products that are to be sold.

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The production and sales expense shall not be more than the revenue generated from sales, and shall be allocated on the same basis as program sales.

Line 53: ACCOUNT 655 FOOD

Enter the cost of raw or prepared food goods.

Line 54: ACCOUNT 656 MEDICAL SUPPLIES

Enter the cost of medicines, drugs, first aid supplies, and employee physicals required by state law.

Line 55: ACCOUNT 660 CAPITAL EXPENDITURES (complete Form 2143 before making entries on this line).

Enter total depreciation charges for items or groups of items used for program purposes costing \$1,000 or more and having a useful life of one year or more. Reimbursement for capital expenditures is available through depreciation charges only. Depreciation charges shall be based on historical acquisition cost less estimated salvage value allocated over the estimated useful life of the asset. Depreciation salvage value shall be calculated on buildings and vehicles only. Determine useful life on the basis of the particular operating conditions and the generally accepted useful life of similar assets.

Adequate property records must be maintained and the straight-line method of computing depreciation used.

Allowable costs for purchase of the equipment and like items shall be as indicated in Appendix C of the 2000-2003 state of New Hampshire budget manual issued biennially by the department of administrative services budget office, prior to the submission of the budget for odd-numbered fiscal years. Any deviations from the guidelines shall require the written approval of the DCYF and/or DJJS directors or authorized representative, based upon reasonable and allowable cost pursuant to He-C 6422.20 and He-C 6422.21.

The costs of capital improvements required for health or safety, continued present operations, and immediate expansion or long-range expansion to provide service for DCYF/DJJS children, shall be submitted in writing to DCYF. All capital expenditures including purchases, major renovations and leasehold improvements for which DCYF/DJJS reimbursement is requested shall be included in the budget proposal. Any expenditure not included shall not be reimbursed. The need to fund extraordinary or emergency capital expenditures shall be submitted in writing to DCYF/DJJS as circumstances arise that require such funding. Determination to all extraordinary or emergency funding of capital expenditures is made by DCYF/DJJS based upon reasonable and allowable costs.

The method of cost allocation must be based upon square footage, if possible, or FTE's.

The minimum requirement for replacement of a vehicle is 3 years of age or 60,000 miles, whichever occurs first.

The interest rate for the purchase or improvement of capital assets must not exceed the prevailing rates at the time the loan was secured.

Gains and losses on sale, retirement, or other disposition of property which qualify as depreciable must be reflected as a credit or charge to the program in which the asset was being used. The amount of the credit or charge shall be the difference between the amount realized on the asset and the undepreciated basis and no gain or loss from the sale of depreciated property shall be recorded as a credit or charge under the following conditions:

- (A) The gain or loss is or could be processed against a depreciation account;
- (B) The property is given in exchange as part of the price of a similar asset and the gain or loss is taken into account in determining the depreciation costs basis of the new asset;
- (C) A loss occurs from the failure to maintain permissible insurance;

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- (D) Gains or losses resulting from mass or extraordinary sales, retirements, or other dispositions are considered on a case-by-case basis; and
- (E) Gains or losses resulting from the sale or exchange of non-DCYF/DJJS assets or those not qualifying for depreciation are not allowable.

The following shall be excluded from allowable depreciation expense:

- (A) Cost of land.
- (B) Donated assets or assets purchased with donated funds.
- (C) Assets acquired through grants from federal, state or local governments, or from private organizations, foundations or companies.
- (D) Idle or excess assets.
- (E) Depreciation expense computed under methods other than the straight-line method.
- (F) Major capital expenditures not approved by DCYF/DJJS.

Line 55A ACCOUNT 660 CAPITAL EXPENDITURES FROM DONATED FUNDS

This is used for DOE purposes only.

Line 56: ACCOUNT 670 EQUIPMENT RENTAL

Enter costs of renting equipment (include postage meters in Account #730 - postage).
The budget narrative must indicate the type and purpose of rented equipment. If direct allocation is not possible, FTEs must be used. Copies of rental agreements must be submitted with the budget proposal.

Line 57: ACCOUNT 680 EQUIPMENT MAINTENANCE AND REPAIRS

Enter costs of equipment repairs and service maintenance contracts or agreements.

Line 58: ACCOUNT 700 ADVERTISING

Enter costs for employee recruitment only. Other advertising must not be allowed.
The budget narrative must indicate the basis for projected advertising costs. If direct cost allocation is not possible, FTEs shall be used.

Line 59: ACCOUNT 710 PRINTING

Enter costs of printing forms, leaflets, brochures, for programs funded by the DCYF/DJJS.
The budget narrative must indicate the basis for projected printing costs. If direct cost allocation is not possible, FTEs must be used.

Line 60: ACCOUNT 720 TELEPHONE AND COMMUNICATIONS

Enter costs related to telephones, fax machines and similar expenses.
The budget narrative must indicate the type of telephone system, number of instruments, number of watts lines and costs, and whether phones are leased or owned. The method of allocation must be based on the number of instruments.

Line 61: ACCOUNT 730 POSTAGE AND SHIPPING

Enter costs related to postage stamps, trucking, delivery, and rental of postage meter.
The method of allocation shall be based upon direct costs whenever possible.

CATEGORY 740 TRANSPORTATION

This category (Accounts 741-744) includes costs for staff and client transportation.
Mileage reimbursement for business use of facility or program or personal vehicles shall not exceed the prevailing reimbursement rate per mile of the State of New Hampshire. If vehicles are leased or rented and include so-called "Free Mileage", such mileage is not eligible for reimbursement. Also, any portion of vehicle expense, which is reimbursed through depreciation charges, must be excluded from the mileage reimbursement rate.

Line 62: ACCOUNT 741 STAFF TRANSPORTATION

Enter costs for travel and transportation of agency staff, such as mileage reimbursement, rental of vehicles, hotels, meals, etc.

The budget narrative must describe the basis for these cost projections.

Line 63: ACCOUNT 742 CLIENT TRANSPORTATION

Enter costs for transportation of clients, with the exception of drivers who should be shown in the personnel budget.

The budget narrative must indicate the basis for client transportation costs.

Line 64: ACCOUNT 743 VEHICLE LEASE

Enter cost of vehicle lease for vehicles used for program purposes. Attach copies of vehicle leases and registrations. Purchased vehicles must be depreciated.

Line 65: ACCOUNT 744 VEHICLE MAINTENANCE AND REPAIRS

Enter costs related to vehicle maintenance and repairs for vehicles used for program purposes.

CATEGORY 760 INSURANCE

This category (Accounts 761-763) includes costs of usual and customary insurance coverages. Copies of insurance quotes or the face page of policies must be submitted with the budget proposal.

Line 66: ACCOUNT 761 PROFESSIONAL LIABILITY AND BONDING

Enter all payments made for professional liability and bonding.

The budget narrative shall indicate the number and types of employees covered and the limits of coverage. The method of allocation shall be based upon direct costs.

Line 67: ACCOUNT 762 VEHICLES

Enter all vehicle insurance costs.

The budget narrative shall include the number of vehicles covered, the type of coverage and the limitations. The method of allocation shall be direct identification.

Line 68: ACCOUNT 763 COMPREHENSIVE PROPERTY AND LIABILITY

Enter comprehensive property and liability and directors' and officers' insurance costs. Comprehensive general liability insurance against all claims of bodily injury, death, and property damage or loss shall be in amounts of not less than \$250,000 per claim and \$2,000,000 per incident. Fire and extended coverage insurance covering all property shall be in an amount not less than 80% of the whole replacement value of the property.

Self-insurance costs but only if the agency provides documentation to show that sufficient self-insurance coverage is maintained to guard the program against those losses which would have been normally covered if the agency had purchased the appropriate level of insurance.

The budget narrative shall indicate the types and limitations of coverage. The method of allocation shall be based on square footage.

Line 69: ACCOUNT 770 MEMBERSHIP DUES

Enter dues, memberships and subscriptions in civic, business, technical and professional organizations. Costs shall be allowable only when the benefit from membership is related to the organization's programs, the cost is reasonable in relation to the value or benefits received, and the expense is not for membership in an organization that devotes a substantial part of its activities to influencing legislation. The budget narrative shall identify the specific agency memberships. The method of allocation shall be based on direct costs or FTEs.

Line 70: ACCOUNT 780 INTEREST

Enter the interest costs for the purchase or improvement of capital assets which have been approved by DCYF/DJJS. The interest rates shall not exceed the prevailing rates at the time the loan was secured.

Interest expense on loans for working capital that exceeds 1% of the total approved budget of the program, or any anticipated interest expense on loans for working capital that cannot be directly identified as being due to delays in payments and outside of the entity's ability to control is not allowed. Interest expense on loan for deficit funding is not allowable. The budget narrative shall identify the detail of the debt on which the agency anticipates accruing interest expense and the basis for allocation. A copy of the loan note must be submitted with the budget proposal.

Line 71: **ACCOUNT 800 OTHER EXPENSES**

Enter any costs which are not included in any of the above line items.

The budget narrative shall describe any other expenses and the basis for projected costs in detail.

Line 72: **ACCOUNT 900 PARENT OVERHEAD**

Enter charges to an organization's programs from a parent or affiliated organization provided that the charges are defined as allowable costs and that the charges are allocated to all programs on the same basis. These charges shall be displayed in Column B on budget Form 2142A.

Charges for parent overhead must be documented by an itemized schedule listing the components of the charge and the parent company's total cost for each component. The basis for allocation must be included in the budget narrative.

If a program or facility includes charges for general management, parent overhead charges shall not also be reimbursable.

Line 73: **SUB-TOTAL EXPENSES**

Enter the total of amounts entered in Lines 30-72, above.

Line 74: **GENERAL MANAGEMENT ALLOCATION**

Enter the amount from Column B, Line 73 into Column B, Line 74. This entry shall be the "TOTAL GENERAL MANAGEMENT EXPENSES" amount to be allocated.

Allocate "TOTAL GENERAL MANAGEMENT EXPENSES" from Column B, Line 74 to other activities - i.e., Columns for which there is a sub-total in Line 73 - based upon the percentage of each activities SUB-TOTAL EXPENSES (Line 73) to the total of Column A Line 73.

Line 75: **TOTAL PROGRAM EXPENSES**

Add Lines 73 and 74 and enter the results in this Line.

CATEGORY DCYF/ DJJS EXPENSES ONLY

This category includes costs usually reimbursed by DCYF/DJJS but not by DOE.

Line 76: **MINUS STAFF DEVELOPMENT COSTS EXCEEDING CAP**

Enter the amount of staff development costs that exceed the established staff development cap times the number of program FTE's.

Line 77: **MINUS CAPITAL EXPENDITURES PURCHASED WITH DONATED FUNDS**

For DOE purposes only.

Line 78: **CATEGORY 750 ASSISTANCE TO INDIVIDUALS**

This category includes costs of items which are required for support and maintenance of clients and which are not included in any other category or account.

Line 79: **ACCOUNT 751 CLOTHING**

Enter costs for client clothing. Clothing costs not to exceed the average aggregate cost per child of children's clothing for all facilities during the 3 prior fiscal years times the number of children in the facility.

Line 80: **ACCOUNT 752 HYGIENE**

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Enter costs of personal care and grooming items.
Allocation shall be based upon direct costs.

Line 81: ACCOUNT MEDICAL DIRECTOR
Enter costs for Medical Director.

Line 82: ACCOUNT OTHER
Enter any other costs that are paid by DCFY/DJJS and not by DOE.

Line 83: SUB-TOTAL EXPENSES
Enter the total of amounts entered in Lines 76-82, above.

Line 84: GENERAL MANAGEMENT ALLOCATION
Enter the amount from Column B, Line 83 into Column B, Line 84. This entry shall be the "TOTAL GENERAL MANAGEMENT EXPENSES" amount to be allocated.
Allocate "TOTAL GENERAL MANAGEMENT EXPENSES" from Column B, Line 83 to other activities - i.e., Columns for which there is a sub-total in Line 83 - based upon the percentage of each activities SUB-TOTAL EXPENSES (Line 83) to the total of Column A Line 83.

Line 85: TOTAL PROGRAM EXPENSES
Enter sum of Lines 75, 83 and 84 and enter the results in this Line.

FORM 2143

DEPRECIATION SCHEDULE

INSTRUCTIONS FOR COMPLETING THE FORM

I. HEADING INFORMATION, TOP OF FORM

This portion of the form is to be completed in the same manner as the identical portion on Form 2141. Refer to the instructions for Form 2141.

II. BODY OF FORM

Column A: ITEM TO BE DEPRECIATED
Enter the description of the item.

Column B: METHOD OF ACQUISITION
Describe how the item was acquired using these codes:
P = Purchase
D = Donation
O = Other
If "O" is used, provide explanation at the bottom of the form. If an item has been donated, do not make entries in Columns K and L.
DCYF/DJJS will not fund depreciation on donated assets or assets purchased with donated funds or assets acquired through grants from governmental or private agencies.

Column C: DATE PURCHASED
Enter the month and year, using numerals, when the item was purchased.

Column D: MONTH/YEAR STARTED DEPRECIATION
Enter the month and year; using numerals, when the item was put into use or service.

Column E: QUANTITY
Enter the number of items acquired.

Column F: TOTAL ACTUAL COST
Enter the amount actually paid for the item(s).

Column G: SALVAGE VALUE
Enter the estimated salvage or trade-in value of the item(s) at the end of its/their useful life.
Depreciation salvage value shall be calculated on buildings and vehicles only.

Column H: AMOUNT TO BE DEPRECIATED
Subtract the salvage value from the actual cost and enter the remainder here.

Column I: USEFUL LIFE
Enter the expected number of years during which the item(s) will be effectively usable.

Column J: TOTAL ANNUAL DEPRECIATION
Divide AMOUNT TO BE DEPRECIATED (Column 7) by USEFUL LIFE (Column 8) and enter the result here.

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Column K:	PERCENT USE FOR PROGRAM Determine the percent of time that the item(s) will be used for programs or activities funded by DCYF/DJJS and enter that number here. For allocation to multiple programs use page 2.
Column L:	APPLICABLE ANNUAL DEPRECIATION Multiply Column J by Column K and enter the result here.
Column M-T	PERCENT USE FOR PROGRAM AND APPLICABLE ANNUAL DEPRECIATION For use if equipment is used for multiple programs.
Column U	TOTAL DEPRECIATION CHARGES: Add amounts in Column L,N,P,R and T and enter the total here and on Form 2142B, Line 55.

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FORM 2144

RATE COMPUTATION

INSTRUCTIONS FOR COMPLETING THE FORM

I. HEADING INFORMATION, TOP OF FORM

This portion of the form is to be completed in the same manner as the identical portion on Form 2141. Refer to the instructions for Form 2141.

II. LINE ITEM INSTRUCTIONS

SECTION I - SPECIAL EDUCATION PROGRAMS

For use per DOE instructions.

SECTION II - SPECIAL EDUCATION THERAPIES

For use per DOE instructions.

SECTION III - DCYF/DJJS PROGRAMS

- Line 13: TOTAL EXPENSE
Enter the amount from Form 2142B, Line 84, Column D or G.
- Line 14: TOTAL REVENUE
Enter the amount from Form 2142A, Line 25, Column C or G.
- Line 15: NET EXPENSE
Enter the result of Line 13 minus Line 14.
- Line 16: CERTIFIED CAPACITY
Enter the number of beds certified by DCYF/DJJS.
- Line 17: UTILIZATION FACTOR
Enter the utilization factor from Form 2144A, Section II, Column C, line 4.
Any utilization factor greater than 95% shall be reduced to 95% for rate setting purposes;
and any utilization factor less than 89% shall be increased to 89% for rate setting purposes.
- Line 18: RATE CALCULATION CAPACITY
Enter the result of Line 16 multiplied by Line 17.
- Line 19: LENGTH OF PROGRAM YEAR
Enter the number of program days available in the fiscal year (all ongoing residential programs = 365 days).
- Line 20: UNITS OF SERVICE
Enter the result of Line 18 multiplied by Line 19.
- Line 21: DAILY RATE
Enter the sum of Line 15 divided by Line 20

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FORM 2144A

PROGRAM DATA

INSTRUCTIONS FOR COMPLETING THE FORM

I. HEADING INFORMATION, TOP OF FORM

This portion of the form is to be completed in the same manner as the identical portion on Form 2141. Refer to the instructions for Form 2141.

II. LINE ITEM INSTRUCTIONS

SECTION I - SPECIAL EDUCATION PROGRAMS

For use per DOE instructions.

SECTION II - DCYF/DJJS PROGRAMS

Rate Utilization Factor

- Column A: **NUMBER OF DCYF/DJJS CERTIFIED BEDS**
Enter the number of beds certified by DCYF/DJJS for each of the past three state fiscal years.
- Column B: **AVERAGE DAILY ATTENDANCE**
Enter the average daily attendance for each of the past three state fiscal years.
- Column C: **UTILIZATION FACTOR**
Enter the sum of dividing the total of column B by the total of column A.
- Line 1: **FISCAL YEAR 20__**
Enter the state fiscal year three years prior to the current state fiscal year and the appropriate number of DCYF/DJJS certified beds and average daily attendance for that year.
- Line 2: **FISCAL YEAR 20__**
Enter the state fiscal year two years prior to the current state fiscal year and the appropriate number of DCYF/DJJS certified beds and average daily attendance for that year.
- Line 3: **FISCAL YEAR 20__**
Enter the state fiscal year one year prior to the current state fiscal year and the appropriate number of DCYF/DJJS certified beds and average daily attendance for that year.
- Line 4: **TOTAL**
Enter the sum totals of columns A and B.
Enter the sum of column B divided by column A. This amount is entered on Form 2144, line 17.

FORM 2144B

AVERAGE AGGREGATE COSTS

INSTRUCTIONS FOR COMPLETING THE FORM

STAFF DEVELOPMENT AND TRAINING COSTS

- Line 1: FISCAL YEAR 20__
Enter the state fiscal year three years prior to the current state fiscal year and the actual development and training cost and FTE' for that year.
- Line 2: FISCAL YEAR 20__
Enter the state fiscal year two years prior to the current state fiscal year and the actual development and training cost and FTE' for that year.
- Line 3: FISCAL YEAR 20__
Enter the state fiscal year one year prior to the current state fiscal year and the actual development and training cost and FTE' for that year.
- Line 4: TOTAL
Enter the total of lines 1, 2, and 3 in columns A - F.
- Line 5: THREE-YEAR AVERAGE
Divide Line 4 Column E by Line 4 column F and enter the sum in Column E.
- Column A: ACTUAL COSTS - Journals and Publications
Enter the actual staff development and training costs for journals and publication for each of the three prior state fiscal years.
- Column B: ACTUAL COSTS - In-service
Enter the actual staff development and training costs for in-services for each of the three prior state fiscal years.
- Column C: ACTUAL COSTS - Conferences
Enter the actual staff development and training costs for conferences, workshop and conventions for each of the three prior state fiscal years
- Column D: ACTUAL COSTS - Other Staff Development
Enter the actual staff development and training costs for other staff development activities for each of the three prior state fiscal years.
- Column E: ACTUAL COSTS - Total
Enter the total of columns A, B, C and D.
- Column F: NUMBER OF FTE
Enter the number of FTE for each of the three prior state fiscal years.

CLOTHING COSTS

- Line 6: FISCAL YEAR 20__
Enter the state fiscal year three years prior to the current state fiscal year and the actual clothing costs and number of children in the facility for that year.
- Line 7: FISCAL YEAR 20__
Enter the state fiscal year two years prior to the current state fiscal year and the actual clothing costs and number of children in the facility for that year.
- Line 8: FISCAL YEAR 20__
Enter the state fiscal year one year prior to the current state fiscal year and the actual Clothing costs and number of children in the facility for that year.
- Line 9: TOTAL
Enter the total of lines 6, 7, and 8 in columns A and B.
- Line 10: THREE-YEAR AVERAGE
Divide Line 9 Column A by Line 9 Column B and enter the sum in Column B.
- Column A: ACTUAL COSTS
Enter the actual Clothing costs for each of the three prior state fiscal years.
- Column B: NUMBER OF CHILDREN
Enter the actual number of children in the facility for each of the three prior state fiscal years.